

FORMATTING YOUR BUSINESS PLAN

Business plans should be single spaced and preceded by a cover sheet. A recommended format is listed below:

1. Business Description

No more than one page single-spaced. This section summarizes the most crucial parts of the business plan. It must explain and describe the business, the products or services sold and their value to customers, a compelling market opportunity, any unique intellectual property rights (patents, trademarks, trade secrets or copyrights), and the distinctive competence of the business, i.e., the key success factors or why the business will succeed against competition. The summary is designed to grab the attention of the prospective investor so that he or she will continue reading.

2. Industry Analysis/Marketing Plan

Describe and specify the following:

- a. The Target Market: Clearly specify the potential target market(s).
- b. Potential Demand (Market Size): Clearly specify existing market demand or, if this is a new to the world product, estimated demand.
- c. Competitors: Clearly specify actual or potential competitors.
- d. Tactics. Clearly specify a plan to sell and distribute the product/service. This will answer the questions: (a.) how will the potential business reach its customer, (b.) how will the business advertise its product/service, and (c.) how will the business price its product?

3. The Entrepreneurial Team

Describes the entrepreneurial team, their skills/background, and any other principals associated with this venture. Proposals should note the skills or required skills necessary for the various tasks associated with the business.

4. Financial Plan and Projections

Describe and specify the following:

- a. Start-up costs
- b. Estimated revenues for the first 3 months, 6 months, 1 year, and 2 year period
- c. Estimated costs for the first 3 months, 6 months, 1 year, and 2 year period
- d. Projected income and time to break-even point.

EVALUTION CRITERIA

A panel of RIT faculty and outside entrepreneurs (and entrepreneurs' service providers) judge the contest. Proposals are evaluated based primarily on their realistic potential for success. Other pertinent criteria include:

- Professionalism of the abbreviated business plan
- Compelling nature of the market opportunity, market need (actual or perceived), and value provided to customers
- Clear definition of target market (customers) and their accessibility
- Realistic manufacturing or service operations plan
- Accurate understanding of potential start up costs and revenues